



General Assembly

**Substitute Bill No. 130**

January Session, 2011

\* \_\_\_\_SB00130PD\_\_\_\_032511\_\_\_\_ \*

**AN ACT CONCERNING LAND VALUE TAXATION.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-63h of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 (a) The Secretary of the Office of Policy and Management shall  
4 establish a pilot program in [a single municipality] up to three  
5 municipalities whereby the [municipality] selected municipalities shall  
6 develop a plan for implementation of land value taxation that (1)  
7 classifies real estate included in the taxable grand list as (A) land or  
8 land exclusive of buildings, or (B) buildings on land; and (2)  
9 establishes a different mill rate for property tax purposes for each  
10 class, provided the higher mill rate shall apply to land or land  
11 exclusive of buildings. The different mill rates for taxable real estate in  
12 each class shall not be applicable to any property for which a grant is  
13 payable under section 12-19a or 12-20a.

14 (b) [To be eligible for the program a municipality shall (1) be a  
15 distressed municipality, as defined in subsection (b) of section 32-9p;  
16 (2) have a population of not more than twenty-six thousand; and (3)  
17 have a city manager and city council form of government.] The  
18 secretary shall establish an application procedure and any other  
19 criteria for the program and shall send a copy of such application  
20 procedure and any other criteria to the joint standing committee of the

21 General Assembly having cognizance of matters relating to planning  
 22 and development. The secretary shall not select a municipality for the  
 23 pilot program unless the legislative body of the municipality has  
 24 approved the application. The secretary shall send a notice of selection  
 25 for the pilot program to the chief executive officer of the municipality  
 26 and to the joint standing committee of the General Assembly having  
 27 cognizance of matters relating to planning and development.

28 (c) After receipt of the notice of selection provided by the Secretary  
 29 of the Office of Policy and Management pursuant to subsection (b) of  
 30 this section, the chief executive officer of such municipality shall  
 31 appoint a committee consisting of relevant taxpayers and stakeholders  
 32 to prepare a plan for implementation of land value taxation. Such plan  
 33 shall (1) provide a process for implementation of differentiated tax  
 34 rates; (2) designate geographic areas of the municipality where the  
 35 differentiated rates shall be applied; and (3) identify legal and  
 36 administrative issues affecting the implementation of the plan. The  
 37 chief executive officer, the assessor and the tax collector of the  
 38 municipality shall have an opportunity to review and comment on the  
 39 plan. On or before December 31, [2009] 2012, and upon approval of the  
 40 plan by the legislative body, the plan shall be submitted to the joint  
 41 standing committees of the General Assembly having cognizance of  
 42 matters relating to planning and development and to finance, revenue  
 43 and bonding.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2011	12-63h

**PD**            *Joint Favorable Subst.*